



Change to Cigarette and Cigarette Use Taxes

Informational Bulletin

July 2003

Brian A. Hamer
Director of Revenue

For information
or forms...

- ◆ Call us at:
217 785-6613
217 524-5409
- ◆ Call our TDD
(telecommunications device
for the deaf) at:
1 800 544-5304
- ◆ Write us at:
Illinois Department of Revenue
P.O. Box 19477
Springfield, IL 62794-9477
- ◆ Visit our Web site at:
www.ILtax.com
- ◆ Call
"Illinois Tax Fax," our
fax-on-demand service, at:
217 785-3400
- ◆ Call
our 24-hour
Forms Order Line at:
1 800 356-6302

To: Cigarette Distributors

Effective July 1, 2003, all purchases of cigarette tax stamps must be paid in full at the time of purchase by Electronic Funds Transfer (EFT).

We have also combined Form RC-1-A, Cigarette Tax Stamp Order-Invoice, and Form RC-1-A-E, Cigarette Revenue Tax Stamp Electronic Funds Transfer Authorization. Beginning with July 2003 cigarette tax stamp purchases, you must complete the new Form RC-1-A and make your payment by EFT to receive cigarette tax stamps. Do not complete and attach Form RC-1-A-E, it is now obsolete.

Note: Please destroy any Forms RC-1-A-E and RC-1-A you may have and use the enclosed revised Form RC-1-A.

Can I still purchase
cigarette tax stamps on a
30 day charge?

No. Effective July 1, 2003, you may no longer delay your cigarette tax stamp payment for 30 days. All payments must be made by EFT and will be withdrawn when your cigarette tax stamp purchase order is processed.

Note: If you were authorized to purchase cigarette tax stamps on a 30 day charge and have a credit bond on file with us, we will begin returning bonds in August.

Can I purchase cigarette
tax stamps by check?

No. All payments for cigarette tax stamps must be made by EFT.

What is EFT?

EFT - Electronic Funds Transfer is payment by electronic means instead of by check or cash. EFT authorizes money to be deducted from your bank account and credited to ours. In the case of using EFT to purchase cigarette tax stamps, when we receive your Form RC-1-A, we will issue your cigarette tax stamps, and initiate the funds transfer from your account.

Note: You still **must** complete Form RC-1-A to receive cigarette tax stamps.

How do I register for EFT?

You must complete and return to us the enclosed Form EFT-1, Authorization Agreement for Electronic Funds Transfer.

Are there any other
changes?

Yes. For returns due on or after July 1, 2003, you may be assessed a cost of collection fee if you do not pay the amount you owe within 30 days after the date on the assessment. If the unpaid amount is less than \$1,000, the fee is \$30, if the amount is \$1,000 or more, the fee is \$100.